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CONTENTS

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NEW ZEALAND WOOL
SELLING SEASON OPENS

The 1955-56 New Zealand wool-selling season opened October 24 at Dunedin, the main auction center of the South Island. Prices generally were lower than those for the same sale last year. The opening was considered good by wool officials who said it "exceeded expectations, with widespread competition which followed the general easing trend in Australia and recent United Kingdom auctions, but did not go beyond that." The strength of crossbreds was the chief feature of the auction.

Early shorn crossbred and hoggett wools dominated the offering.

Finer wools showed the greatest decrease in value. In the fine halfbred section the drop was 1s.0d. (14 cents) to 1s.2d. (15.3 cents). Crossbreds dropped from 4d. (4.68 cents) to 5d. (5.85 cents) from last season's close.

The official range of prices, greasy basis, at the Dunedin sale, with comparisons of last season's first and last sales at that center, follow:

	Oct. 24, 1955	Apr. 27, 1955	Oct. 27, 1954
	- - - - - (U. S. cents per pound) 1/ - - - - -		
Fine half-bred 58/60's	57.5 to 60.0	64.5 to 69.0	71.5 to 77
Halfbred 56/58's	54.0 to 57.5	66.5 to 69.0	69 to 73.5
Fine Crossbred 50's	54.5 to 55.0	59.0 to 61.0	61 to 63.0
Medium Crossbred 48/50's	52.0 to 54.5	58.5 to 60.5	58.5 to 60.0
Coarse Crossbred 46/48's	51.5 to 53.5	57.5 to 60.0	57.5 to 60

1/ New Zealand currency converted to the nearest 1/2 U.S. cent.

FOREIGN CROPS AND MARKETS

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HANDLING CHARGES FOR NEW ZEALAND WOOL HIGHER THIS SEASON

The New Zealand Wool Broker's Association has advised that all brokers will charge higher prices for certain phases of wool handling beginning with the opening of the 1955-56 season.

The charge for reclassing without skirting is to be increased from $\frac{1}{2}$ d ($.0058) to 3/4 d ($.00875). The charge for reclassing is to be increased from 1 d a pound ($.0116) to $1\frac{1}{4}$ d ($.0146). The group charge for "interlotting" bales is to be increased from 3s 0 d (42¢) to 6s o d (84¢) a bale.

BRITISH PLAN TO IMPROVE SWINE PRODUCTION

A committee appointed last January to advise on how pig production might be improved has delivered its report to the British Ministry of Agriculture, Fisheries, and Food. General breeding policy and production methods in the light of market requirements was emphasized in the report.

British pig producers are urged to concentrate on the following three types of pigs for commercial purposes: (1) A pig for bacon curing, (2) a pig for lightweight pork production at 80 to 100 pounds dead weight, and (3) a dual-purpose pig which would be suitable both for medium and heavier weights of pork and for bacon.

The report further states that only one type of boar should be used on three types of sow. The three types are described in the report as late, medium, or early maturing, according to the weight at which they reach a given proportion of lean to fat. The boars that are to be used for siring market pigs would always be of the late maturing type. It would be long, with good hams and light shoulders and head. For specialized bacon production, this boar would be used on a sow of the same type as the boar. For lightweight pork production, a sow of early maturing type should be used; and for dual-purpose production, a sow of medium maturing type.

To facilitate development of the proper types of pigs, the report of the committee advocated progeny testing, setting up accredited breeding herds, and licensing boars. Recommendations were also made as to steps that might be taken until an adequate number of licensed boars from accredited herds become available.

INCREASE IN ARGENTINE MEAT PRODUCTION INDICATED IN 1956

Prospects for livestock production in Argentina appear better for the coming year than actual production for the past year. It is expected that production of feedstuffs will be greater in 1956 than they have been in recent years. The movement of livestock to slaughter houses has reached the highest level of recent years, packing plants being booked through January.

The rapidly increasing movement of cattle to abattoirs indicates an augmented livestock **numbers** which could form the basis for increased meat exports in the coming year. Increased incentives to farmers are expected to have their effect too, better prices having been promised to producers of corn and sunflower seed.

Chilled beef began moving in volume again to the United Kingdom. Due to a tendency to shift from sheep to cattle, sheep marketings have continued higher than normal from January to the present. Large lamb receipts indicate that replacement breeding stock is not being withheld.

NEW ZEALAND MAY EXPAND FAR EAST MEAT TRADE

The recent introduction of a direct shipping service between New Zealand and the Far East has opened possibilities to New Zealand for a bigger share of meat sales in Far Eastern markets.

If the venture turns out to be a success, New Zealand will be a more important factor in the meat trade in Hong Kong, the Philippine Republic, Japan, Malaya, and other Far Eastern countries.

Shipments to the Far East have formerly been transshipped through Australia. Savings under direct shipment should be considerable. Chief competition in the area now in meat and meat products is Australia, but New Zealand officials are hopeful for an increased share under the new service.

One sailing every three months is scheduled, and if there is sufficient volume of trade an additional sailing, every six weeks may be added.

Success of the new service will depend upon the support New Zealand exporters are able to give it. In addition to products going into the refrigerated space, dry cargo will be needed. Casein, tallow, and dried fish are among the primary products available that can be handled as dry cargo, but to maintain a two-ship service it was inferred that it would be necessary to export some manufactured products.

CURRENT COFFEE SITUATION

Prices, spot and futures, for both Santos and Colombian coffees, have been firm for the past month. Santos 4's, spot, moved within a narrow range of 56¼ cents to 57 cents while Colombians were at a considerable premium, selling at 71½ cents to 73 cents spot. Recent declines have narrowed this spread and lowered Santos 4's to 55 cents and Colombians to 67 cents spot.

Brazil is presently almost the exclusive supplier and will remain so till African and mild coffees come to market in volume. Adverse weather conditions have delayed the harvesting and marketing of Colombian and Central American coffees.

Roastings in the United States have been heavy and with the increased seasonal demand, Brazil's total coffee exports of 1,961,512 bags 1/ in September were the highest of any month in the past 5 years. Overseas coffee sales of 3,979,858 bags during July, August, and September were double those of the same period of 1954. Coffee exports since January 1, 1955, now total 9.2 million bags and are 2 million bags above the first 9 months of 1954. Latest reports show that export coffee sales continue at a good rate in October.

Thus with a temporary atmosphere of satisfactory price ranges and consumption approaching the 1953 levels, there have been fewer public announcements regarding the formation and implementation of an international coffee agreement.

Western Hemisphere producing countries differ on such questions as quotas and price stabilizing measures, and there is uncertainty whether such an agreement will be reached. This is particularly true since African producers have shown little inclination to participate.

African coffee production, increasing rapidly, totaled 6,335,000 bags in 1954-55 and with an average of lower price levels is becoming an increasing factor in world trade.

Mexican and Central American coffee production -- 7,031,000 bags in 1954-55 (preliminary estimate) and increasing to 7,230,000 bags (forecast) in 1955-56 is also a growing competitive factor in world trade.

Should the experience of previous cycles be repeated, production may rise substantially in the next 5 years, with consumption increasing more slowly -- even with prices considerably lower than in 1954 and 1955. It is therefore probable that the world coffee economy may be faced with more competitive conditions in the near future than now exist.

1/ 132.276 pounds.

NETHERLANDS' EXPORTS OF
DAIRY PRODUCTS

In the first 6 months of 1955, exports of butter from the Netherlands were 24 percent below the same period of 1954. Shipments to the United Kingdom and Belgium, the principal outlets, were considerably smaller than last year. Those to the Republic of Germany showed a marked increase.

Cheese exports declined 3 percent. Substantially higher exports to the Republic of Germany were offset by lower sales to the other important markets.

Exports of condensed milk were 4 percent higher than a year ago. Trade with the Republic of the Philippines, Burma, Belgium, French North Africa, and Greece was considerably higher than in 1954, but that with other important outlets, particularly Thailand and Malaya, was much smaller.

Dried whole milk exports were up 26 percent, but dried skimmed milk exports declined sharply in this period.

THE NETHERLANDS: Exports of Dairy Products, January-June, 1955, compared with January-June, 1954

Product and Destination	January-June	
	1955	1954
	1,000 pounds	1,000 pounds
Butter		
United Kingdom	12,309	21,213
Belgium	8,142	10,842
Germany, Republic of	7,526	1,747
Germany, Eastern	90	4,010
French North Africa	1,310	2,531
U.S.S.R.	-	3,002
Others	6,373	3,953
Total	35,750	47,298
Cheese		
Germany, Republic of	37,498	33,130
Belgium	26,309	26,958
United Kingdom	7,246	8,086
Venezuela	2,453	2,912
French North Africa	2,117	2,453
Italy	1,714	1,949
Puerto Rico	1,579	1,467
Others	13,036	18,010
Total	91,952	94,965

(Cont'd., opposite page.)

THE NETHERLANDS - Exports of Dairy Products, January-June, 1955, compared with January-June, 1954 (continued)

Product and Destination	January-June 1955	January-June 1954
	1,000 pounds	1,000 pounds
Condensed Milk		
Thailand	25,962	38,069
Philippine Republic	17,718	15,355
Malaya	16,531	24,046
Burma	14,918	11,469
Belgium	14,112	7,706
French North Africa	13,317	9,106
Greece	10,931	5,477
Indonesia	9,475	13,216
Hong Kong	7,224	8,333
Peru	6,787	4,536
British East Africa	5,880	3,371
Indo-China	5,544	4,861
Ceylon	5,219	5,264
French West Africa	4,682	3,058
Cuba	4,424	5,667
Bolivia	3,875	1,086
Others	58,947	55,932
Total	225,546	216,552
Dried Whole Milk		
Belgium	4,368	5,802
Venezuela	3,763	3,349
Bolivia	1,960	795
Others	13,395	8,646
Total	23,486	18,592
Dried Skim Milk		
Denmark	2,576	8,915
India	2,128	7,022
Others	4,379	1,289
Total	9,083	17,226

BRITISH GUIANA: POULTRY MEAT IMPORT QUOTAS

British Guiana's import ban on poultry products was lifted September 18, 1955. Poultry of all types on a quota basis, has been entering the country since October 1, 1955.

VENEZUELA CONSIDERS
RESTRICTION ON IMPORTED CREAM

Early this year, Venezuelan creameries were asking for restrictions on the importations of cream, due to a surplus butter situation (See Foreign Crops and Markets, February 14, 1955). Dr. Lucio Baldo Casanova, Director of Industries of the Ministry of Development, recently informed the press that the time has come for the government to take some action toward limiting the importation of acid cream used locally to produce butter. The product of Venezuelan manufacture, made from imported Danish cream, has long been sold in Venezuela as "Danish Butter."

In the second quarter of this year, 957 thousand pounds of Danish cream entered Venezuela and 60.4 thousand pounds were imported from the United States. The duty on imported cream is 16.35 cents per pound.

NEW ZEALAND DAIRY BOARD MAKING
REVIEW OF THE INDUSTRY

The New Zealand Dairy Board has set up a Committee of Inquiry at the request of the dairy industry to investigate all aspects of production and marketing. The Director-General of Agriculture has been named Chairman of the group, which is composed of high-level government officials and prominent industry and farm representatives. Subcommittees have been set up on (1) manufacturing and grading, (2) storage and transport, (3) packaging, and (4) marketing. Interested persons and groups have been invited to submit their views in writing and the Committee has been empowered to "draft" experts in the various fields.

In the meantime the Dairy Commission reports two items of interest. The first is that the Commission has just sold 15.7 million pounds of unsalted butter to Czechoslovakia, France, The Republic of Germany, and Italy. Deliveries are to be made before the end of the year.

The Commission also reports that the wholesale price of New Zealand finest butter on the United Kingdom market has risen 2 cents a pound since September and is now bringing 47 cents a pound wholesale. The current price is about 8.75 cents above the low point of July, 1955. The wholesale price of New Zealand finest white cheese has also advanced during the past 4 weeks and on October 17 stood at 30.375 cents a pound, an increase of 2.875 cents a pound. Colored finest prices have not changed.

The improved position of New Zealand cheese and butter follows a general firming of New Zealand powdered milk prices in the United Kingdom as reported in Foreign Crops and Markets of November 7, 1955.

WORLD RICE CROP LARGE IN 1955-56

World 1/ rice production in 1955-56 (August-July) is forecast at 270,000 million pounds of rough rice, an increase of 3 percent over the 261,300 million pounds in the preceding year, according to the first estimate of Foreign Agricultural Service. This estimate is 2.5 percent below the record harvest of 276,900 million pounds in 1953-54.

The production increase is attributed to higher yields per acre in some areas as well as to some extension in acreages. World rice acreage is forecast at 199 million acres, compared with 196 million in the year before, and with the record of 202 million acres in 1953-54.

Largest crop increases are in Asia, which will harvest 88 percent of world output. Countries having very good yields are Japan and Thailand, and crops in Burma, Pakistan, and the Philippine Republic exceed those of last year.

Good European crops bring the total for that Continent above last year's, but slightly less than the record production of 1953. Africa has prospects for the largest rice crop in history.

Total production in the Western Hemisphere is forecast at about the same level as last year. A reduction in North America will be offset by a larger crop in South America, assuming average yields per acre in the Southern Hemisphere.

Good rice crops are anticipated in the principal exporting countries of Asia. Although it is too early to make a final estimate of the November crop in Thailand, the trade estimate of an exportable surplus of 1,400,000 metric tons of rice indicates that country is expecting a very good harvest. There was no carry-over from previous crops in Thailand.

Burma also plans to export a large volume of rice in 1955. Efforts have been made to increase production. Weather conditions at the outset of the rainy season were favorable, and a rise in output is expected.

Taiwan's second (November) crop of 1955 is very good. This harvest represents approximately half of total production, and about 50 percent will be harvested in the first crop of 1956 (July).

Floods in India this year again have reduced rice yields. Efforts to increase acreage under improved methods apparently resulted in some gain in total area planted. Unusual floods, however, in Uttar Pradesh, Bihar, and Orissa, and to a lesser extent in West Bengal, Assam, and other areas, resulted in inundation of considerable acreage in rice. Though it is too early to assess the final damage to the crop, which will be harvested mainly in December, indications are that production may not be less than in the preceding year. (See table, next 2 pp. Text cont'd., p. 548.)

1/ Excluding Communist China, North Korea, and the Soviet Union.

RICE (rough): Acreage, yield per acre, and production in specified countries, average 1945-46/49-50, annual 1952-53 to 1955-56 (August-July) 1/

Continent and country	Acreage: Average 1945-46 to 1949-50	Acreage: 1952-53	Acreage: 1953-54	Acreage: 1954-55 2/	Acreage: 1955-56 2/	Yield per acre: Average 1945-46 to 1949-50	Yield per acre: 1952-53	Yield per acre: 1953-54	Yield per acre: 1954-55 2/	Yield per acre: 1955-56 2/	Production: Average 1945-46 to 1949-50	Production: 1952-53	Production: 1953-54	Production: 1954-55 2/	Production: 1955-56 2/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Pounds	Pounds	Pounds	Pounds	Pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
NORTH AMERICA															
Costa Rica	41	71	79	72	-	1,078	1,268	808	972	-	44.2	90.0	63.8	70.0	-
El Salvador	41	43	53	52	-	1,402	1,388	1,434	1,442	-	57.5	59.7	76.0	75.0	-
Honduras	31	27	30	27	32	735	930	833	741	906	22.8	25.1	25.0	20.0	29.0
Mexico	190	204	232	222	245	1,731	1,632	1,442	1,708	1,714	328.9	332.9	334.5	379.2	420.0
Nicaragua	28	61	85	35	-	1,286	1,241	1,395	1,606	-	36.0	75.7	118.6	56.2	-
Panama	124	169	196	200	-	1,169	1,211	1,249	1,050	-	145.0	204.7	244.3	210.0	-
United States	1,690	1,965	2,129	2,405	1,815	2,099	2,448	2,471	2,447	2,768	3,547.9	4,810.7	5,260.7	5,885.3	5,023.3
Cuba	114	156	209	219	215	1,075	1,776	1,794	1,712	1,721	122.6	277.0	375.0	375.0	370.0
Dominican Republic	100	126	126	137	-	1,207	1,284	1,293	1,241	-	120.7	161.8	162.9	170.0	-
Total	2,478	2,941	3,275	3,512	2,969	-	-	-	-	-	4,574.7	6,209.9	6,868.9	7,457.0	6,696.7
EUROPE															
France	7	54	47	47	51	2,586	3,694	3,504	2,766	3,627	18.1	199.5	164.7	130.0	185.0
Greece	9	53	43	53	40	2,167	3,113	3,372	3,774	3,375	19.5	165.0	145.0	200.0	135.0
Italy	305	430	434	442	420	4,357	4,767	4,747	4,299	4,524	1,328.9	2,050.0	2,060.0	1,900.0	1,900.0
Portugal	53	85	81	88	93	3,013	3,648	3,823	3,615	3,871	159.7	310.1	309.7	318.1	360.0
Spain	129	160	169	169	165	4,358	4,463	5,130	4,734	5,152	562.2	714.1	867.0	800.0	850.0
Yugoslavia	7	7	11	19	20	1,414	2,371	3,127	2,995	2,750	9.9	16.6	34.4	56.9	55.0
Total countries shown	510	789	785	818	789	-	-	-	-	-	2,098.3	3,455.3	3,580.8	3,405.0	3,485.0
Other Europe	49	134	160	175	207	-	-	-	-	-	103.2	260.0	330.0	320.0	395.0
Total Europe	559	923	945	993	996	-	-	-	-	-	2,201.5	3,715.3	3,910.8	3,725.0	3,880.0
ASIA															
Iran	544	544	618	620	600	1,598	1,708	1,780	1,871	1,183	869.3	929.0	1,100.0	1,160.0	710.0
Iraq	643	525	530	625	600	993	1,143	1,189	1,256	917	638.4	600.0	630.0	785.0	550.0
Syria	19	7	13	15	11	2,263	2,614	2,746	2,667	2,727	43.0	18.3	35.7	40.0	30.0
Turkey	56	121	123	115	-	2,905	2,598	2,911	3,166	-	162.7	314.4	358.1	364.1	-
Burma	8,500	10,080	10,070	10,000	10,200	1,235	1,444	1,357	1,450	1,451	10,500.0	14,560.0	13,660.0	14,500.0	14,800.0
Ceylon	950	988	1,102	1,159	1,170	1,263	1,265	1,313	1,337	1,282	1,200.0	1,250.0	1,447.0	1,550.0	1,500.0
India 3/	71,500	74,674	77,032	75,000	76,000	1,063	1,125	1,227	1,133	1,118	76,000.0	84,000.0	94,500.0	85,000.0	85,000.0
Indochina 3/4/:															
Cambodia	2,298	2,716	2,725	2,700	-	798	1,142	1,133	889	-	1,833.1	3,102.5	3,086.4	2,400.0	-
Laos	1,500	1,500	1,850	1,200	-	650	733	622	646	-	975.0	1,100.0	1,150.0	775.0	-
South Vietnam	3,037	3,333	3,808	3,820	-	1,103	1,257	1,144	1,204	-	3,349.2	4,188.7	4,355.9	4,600.0	-
Indonesia	15,070	16,234	16,625	16,500	-	1,281	1,420	1,525	1,461	-	19,300.0	23,060.0	25,350.0	24,100.0	-
Japan	7,100	7,422	7,367	7,507	7,600	3,484	3,663	3,066	3,329	3,947	24,734.5	27,188.5	22,590.2	24,987.8	30,000.0
Korea	2,676	2,280	2,750	2,750	-	2,211	2,807	2,564	2,618	-	5,916.4	6,400.0	7,050.0	7,200.0	-
Malaya	831	825	822	866	840	1,362	1,901	1,766	1,692	1,702	1,132.1	1,568.2	1,451.4	1,465.1	1,430.0

ASIA (Continued)															
Nepal	3,200	3,400	3,600	3,200	3,400	781	765	806	688	706	2,500.0	2,600.0	2,900.0	2,200.0	2,400.0
Pakistan 3/	21,601	23,016	24,535	23,700	23,800	1,245	1,190	1,254	1,193	1,197	26,889.2	27,398.4	30,774.5	28,266.0	28,500.0
Philippine Republic	4,909	6,561	6,537	6,562	6,670	992	1,056	1,073	1,076	1,074	4,872.0	6,931.4	7,015.8	7,061.0	7,161.8
Taiwan (Formosa)	1,638	1,931	1,947	1,781	1,900	1,829	2,339	2,597	2,505	2,579	2,996.7	4,517.5	5,055.5	4,461.4	4,900.0
Thailand	10,214	12,677	14,562	11,500	14,000	1,173	1,148	1,242	1,122	1,214	11,978.4	14,555.0	18,093.2	12,900.0	17,000.0
Total 5/	162,977	175,431	182,928	176,006	179,856	-	-	-	-	-	202,635.3	230,798.7	247,165.5	230,290.7	238,757.2
SOUTH AMERICA															
Argentina	102	151	155	138	-	2,674	2,837	3,019	2,917	-	272.7	428.4	468.0	402.6	-
Bolivia	30	37	41	45	-	1,467	1,449	1,512	1,422	-	44.0	53.6	62.0	64.0	-
Brazil 3/	4,290	5,000	5,760	5,600	-	1,423	1,260	1,236	1,286	-	6,105.7	6,300.0	7,120.0	7,200.0	-
British Guiana	97	153	140	150	155	2,343	1,856	2,143	2,400	2,355	227.3	283.9	300.0	360.0	365.0
Chile	79	78	72	74	68	2,578	2,618	2,619	2,824	2,574	203.7	204.2	188.6	209.0	175.0
Colombia	300	408	420	425	-	1,342	1,437	1,429	1,459	-	402.6	586.4	600.0	620.0	-
Ecuador	203	200	165	150	-	1,768	1,750	1,515	1,733	-	359.0	350.0	250.0	260.0	-
Paraguay	14	25	25	28	-	2,043	1,676	1,792	1,964	-	28.6	41.9	44.8	55.0	-
Peru	120	163	161	127	-	3,022	3,834	3,430	3,661	-	362.6	625.0	552.3	465.0	-
Surinam	41	49	50	52	-	2,490	2,435	2,542	2,827	-	102.1	119.3	127.1	147.0	-
Uruguay	29	33	40	43	-	2,855	3,509	3,403	3,605	-	82.8	115.8	136.1	155.0	-
Venezuela	50	97	114	155	135	1,100	1,134	1,123	1,387	1,111	55.0	110.0	128.0	215.0	150.0
Total	5,355	6,394	7,143	6,987	7,172	-	-	-	-	-	8,246.3	9,218.7	9,977.1	10,152.8	10,945.0
AFRICA															
Belgian Congo	342	406	432	-	-	813	958	915	-	-	278.0	389.0	395.2	-	-
Egypt	732	388	439	633	715	3,347	2,937	3,274	3,894	3,909	2,450.3	1,139.6	1,437.5	2,464.7	2,795.0
French Morocco	1	9	16	16	-	700	3,500	3,994	3,856	-	0.7	31.5	63.9	61.7	-
Madagascar	1,431	1,725	1,750	-	-	1,176	1,310	1,429	-	-	1,682.5	2,260.0	2,500.0	-	-
Total	7,105	7,566	7,861	8,014	8,090	-	-	-	-	-	7,911.4	7,724.4	8,677.9	9,411.6	9,667.0
OCEANIA															
Australia	31	34	39	40	-	4,042	4,897	4,382	5,000	-	125.3	166.5	170.9	200.0	-
Total	98	106	113	112	110	-	-	-	-	-	212.5	268.6	271.9	297.0	-
World total 5/	178,572	193,361	202,265	195,624	199,193	-	-	-	-	-	225,781.7	257,935.6	276,872.1	261,334.1	270,210.9

1/ Crops harvested in Northern Hemisphere during the latter part of the year, together with those harvested in Asia principally from November to May, are combined with crops harvested in Southern Hemisphere countries during the first part of the following year. 2/ Preliminary. 3/ Planted acreage. 4/ Estimates for Center and North Vietnam included in world totals only. 5/ Excluding Communist China, North Korea, and U.S.S.R.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research, and other information.

(Cont'd. from p. 545.) Pakistan's rice crop, also harvested principally in December, is forecast slightly larger than that of last year.

Rice acreage planted in Japan is estimated officially at 7,617,000 acres, an increase of 1 percent above that of 1954. Bumper yields were reported during the October harvest. The outturn of the Japanese crop is not certain at this time, but with information available, the crop is placed at a rounded figure of 30,000 million pounds of rough rice (10,940,000 metric tons in terms of brown rice). This compares with the previous record of 29,111 million pounds (10,617,000 tons brown rice) in 1953. At this estimate, yields per acre are unusually high.

Though drought in the Philippine Republic again prevented planting of all the intended acreage in rice, increases in new areas resulted in a small acreage gain above that ot the preceding year. So far, indications point to a yield per acre about the same as last year. Thus, the 1955 crop, which is harvested principally in December, is expected to be slightly larger than a year earlier.

Ceylon's second (September) 1955 rice crop was above average, and plans for the February harvest are at a continued high level. Malaya's rice acreage is expected to be at about the same rate as in the last 3 years. Most of the crop will be harvested in the first 4 months of 1956.

Reduced water supplies from mountain sources in Iran and Iraq resulted in crop decreases of 39 and 30 percent, respectively, below last year's large crops. As a result, exportable supplies from Iran will decline sharply from recent years, and exports from Iraq are now prohibited.

Rice acreage in Europe was maintained at the high level reached in postwar years. Good crops were harvested in Italy, Spain, Portugal, and France. Floods in Greece late in the season damaged some of the rice crop, so that yields per acre were reduced somewhat.

Egypt is harvesting another large crop this year, and therefore is expected to have more rice than last year for export. An estimate of Australia's 1955-56 rice acreage being planted is not yet available; the yields per acre harvested in the April-May 1954-55 crop were unusually high, and a large upward crop revision was reported.

The 1955 rice crop of North America declined for the first time in 5 years. This is due mainly to a reduction in the acreage of the United States; the trend is noticeable also in Cuba and the Dominican Republic. A record acreage is reported in Mexico, and so far crop conditions are reported about average for the harvest from August through January.

Much of South America's rice crop is only now being planted and will not be harvested until well into 1956. Under average weather conditions, the harvests of Brazil and Peru will exceed the crops of last year. Venezuela's acreage is down, and yields per acre are substantially less than the exceptional yields of 1954.

CANADA CONFIRMS LARGE GRAIN PRODUCTION

Latest Canadian estimates confirm the high level of the 1955 production of the principal grain crops in that country. According to the November estimate, the harvest was well above average though slightly less than earlier-season forecasts. The November estimate places wheat production at 494 million bushels. Though well below the record crop of 702 million bushels in 1952, it is sharply above the 309 million bushels produced last year and the 1945-49 average of 363 million.

Production of oats is now estimated at 404 million bushels, 6 million less than the September estimate. It is, however, still well above average and about 100 million bushels above the small 1954 crop. Barley production is estimated at 252 million bushels, compared with 176 million last year and the 1945-49 average of 141 million. The rye harvest is now placed at 14.7 million bushels, which is only slightly more than the 1954 crop. It is, however, 16 percent above the 1945-49 average.

AUSTRALIAN GRAIN PROSPECTS GOOD

Prospects continue good for a bumper wheat crop in Australia this season. The harvest beginning this month had been forecast as high as 220 million bushels, but is now expected to be slightly less, possibly 200-210 million bushels. A crop that size, together with a large carry-over, indicates that supplies for the year beginning December 1, 1955, will be at a new record figure.

The reduction from earlier forecasts for wheat production is attributed to unfavorable weather in late October, when heavy rains, high winds, and floods were reported in some wheat areas. The wet conditions are conducive to development of stem rust, and damage to the crop in late areas is a potential threat if the weather should continue warm and humid.

If the wheat outturn is as large as forecast, a total supply of about 300 million bushels will be available for all purposes during the year beginning December 1, 1955. Domestic needs of about 60 million bushels are anticipated, leaving some 240 million bushels for export or carry-over at the end of the crop season. A market for 150 million bushels of wheat would have to be found to hold the carry-over at the level of the past 2 seasons when carry-over stocks have been at an all-time high. Exports during fiscal 1954-55 are reported at about 95 million bushels.

The outlook for coarse grains is similar to that for wheat, and record per-acre yields are expected. Tentative forecasts place barley production at about 39 million bushels, compared with the small outturn of 26 million last year. At the indicated figure the barley outturn would be a near record one, exceeded only by the 1953 harvest of 43 million bushels.

No difficulty is foreseen in finding market outlets for surplus barley. Japan will probably remain the principal importer of Australian barley, and sizable quantities may also move to the United Kingdom, Belgium, the Netherlands, and the Republic of Germany. It also appears likely that the Italian market for barley will assume greater importance than in the past.

Present indications point to an outturn of about 50 million Winchester bushels of oats. As was the case with barley, this would be a near record total. Exports of oats are of little significance, with most of the oats grown being retained on farms for feeding purposes.

CHILEAN DRIED PRUNE SITUATION

The 1954-55 dried prune crop in Chile has been estimated at 4,500 short tons. The 1952-53 and 1953-54 crops were estimated at 3,840 and 3,540 tons respectively. The 1954-55 crop prunes are reportedly of good quality and predominantly of medium sizes -- approximately 70/80 (per pound).

Estimates of supply and disposition of Chilean dried prunes in the most recent 3 seasons are as follows:

	1952-53	1953-54	1954-55
	(Short tons)		
Production	3,840	3,540	4,500
Beginning stocks	1,200	--	--
Total supply	5,040	3,540	4,500
Exports 1/	4,671	2,973	2,200
Domestic disappearance	369	567	880
Ending stocks	--	--	1,420

1/ Official export statistics for 1952-53 and 1953-54; unofficial estimate for 1954-55.

Exports, by country of destination in 1953 and 1954, were as follows:

	1953	1954
	(Short tons)	
Denmark	3,413	2,650
Rep. of Germany	606	192
Netherlands	442	--
Peru	129	54
Other countries	81	77
Total	4,671	2,973

Until 1952 Brazil was one of Chile's best customers for prunes, but since the "most favored nation" agreement between Brazil and Argentina, hardly any Chilean prunes have moved to Brazil.

BELGIUM TOBACCO IMPORTS UP 3.6 PERCENT

Belgium's imports of unmanufactured tobacco during the January-August period of 1955 totaled 31.9 million pounds--up 3.6 percent from the 30.8 million pounds imported during the corresponding period of 1954. Imports of oriental and non-U. S. flue-cured tobaccos increased about .5 and 1.0 million pounds, respectively, while imports of cigar leaf were down slightly.

Belgium: Imports of unmanufactured tobacco during the January-August periods, 1954-55

Country of origin	January-August 1954	January-August 1955
	1,000 pounds	1,000 pounds
United States	13,542	13,455
Turkey	2,804	2,068
Indonesia	1,891	1,898
Dominican Republic	2/	2,255
Brazil	2,425	2,238
India	330	1,914
Greece	2/	926
Netherlands 1/	1,013	754
Other	8,829	6,434
Total	30,834	31,942

1/ Re-exports.
2/ If any, included in other.

Takings of United States leaf continued to decline in the first eight months of 1955, and represented only 42.1 percent of total imports as compared with 43.9 percent last year. Takings of Burley and flue-cured from Italy, India, Canada, Rhodesia, and other African countries are being stepped-up because prices are lower in those countries than in the United States. It was reported by the local trade in Belgium that these types are comparable to United States types, but the quality of the leaf was believed to be lower.

The decline in imports of United States leaf is reported to be attributed to price considerations resulting from price controls on manufactured tobacco products which have caused a reduction in the profit margin of manufacturers. The 1,280,000 Belgian Franc (640,000 U. S. dollars) subsidy, which was granted by IRSIA at the end of 1954 to the West Flanders Tobacco Committee for research to improve the quality of Belgian tobacco, may adversely affect future shipments of United States leaf to Belgium. During 1955, research experiments were conducted with flue-cured varieties, such as Virginia Gold Leaf, Virginia Gold A, and Harrison Special 215 to determine whether or not they or other varieties of tobacco could be grown under the Belgian climatic and soil conditions. The results of these experiments are unknown as of this date.

GREEK TOBACCO DAMAGED
BY HEAVY RAINS

The 1955 crop of salable tobacco in Greece is now placed at 169.8 million pounds from about 320,400 acres. While the crop is 14 percent above last year's harvest and is second only to the 1936 record of 178.5 million pounds, it is considerably below earlier expectations. Excessive rains during a part of the harvest season caused extensive damage to the crop. It is estimated that a total of 194.7 million pounds were harvested, but that almost 25 million pounds of this was so badly damaged that it will not be marketed. An additional 8.5 million pounds is estimated to have been left in the field.

The quality of this year's crop, owing to the adverse weather conditions at harvest time, was sharply reduced, with a much smaller percentage of the higher priced American grades and an increase in the Kappas and European grades as compared with the 1954 crop. The percentages by grades are estimated as follows:

Grade	1954	1955
American	60	45
European	32	36
Kappas	8	19

The demand for Greek tobacco is strong and, in contrast with the situation in previous years, stocks of old crop tobacco have all been moved. The tobacco manipulated in 1955 (1954 crop) was expected to move rapidly into export channels soon after the opening of the export season in September. In view of the strong demand it is expected that the tobacco harvested this season will find a ready market in spite of the lower quality.

Greek exports of leaf tobacco have been increasing steadily in recent years with shipments in 1954 totaling 115.6 million pounds. This was 7 percent above the 1953 level and was almost two and one-half times the 1947-51 average. The Republic of Germany has been the most important market in recent years, accounting for an average of almost 38 million pounds or 36 percent of the total shipments each year in the 1952-54 period. Purchases by the United States averaged 13.8 million pounds or 13 percent of total exports in the same period.

The Iron Curtain countries began purchasing Greek tobacco in 1953--with East Germany, Hungary, and the Soviet Union taking a total of 13.2 million pounds that year and 17 million in 1954. Purchases by these countries are expected to be substantially higher in 1955.

The average export price for Greek tobacco in the fiscal year beginning July 1, 1954, was 55.8 cents per pound as compared with 47.6 cents in the previous 12-month period, an increase of 17 percent.

Owing to the stability of the Greek drachma since devaluation early in 1953, the prices of Greek tobacco are becoming more attractive in relation to the prices of tobacco in Turkey (where the inflation of local currency continues unchecked), particularly to those countries which are required to purchase on the basis of controlled exchange rates.

Greece: Exports of unmanufactured tobacco by country of destination, average 1947-51, annual 1952-54 and January-July 1955

Country	Average 1947-51	1952	1953	1954	Jan.-July 1955
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United States	10,979	13,812	13,276	14,301	8,405
West Germany	6,665	40,878	34,767	37,943	8,466
East Germany	-	-	4,123	6,451	1,920
France	6,848	12,974	9,808	10,628	2,760
Italy	4,698	1,545	3,499	9,497	985
Austria	3,971	4,965	6,797	6,781	2,468
United Kingdom	3,633	2,061	3,845	2,476	36
Soviet Union	-	-	4,879	8,214	1,427
Hungary	-	-	4,226	2,355	2,206
Others	15,012	15,029	22,713	16,981	9,801
Total	51,806	91,264	107,933	115,627	38,474

SALVADORAN CIGARETTE COMPANY
EXPANDS FACILITIES

The Cigarreria Morgan Sucessores, S.A., at present the only cigarette manufacturing company in El Salvador, is expanding its facilities, according to a recent report. The new installations, which are in addition to the company's cigarette factory in San Salvador, are expected to cost 395,000 colones ($158,000 U.S.) and are to be used for processing and storage of leaf tobacco. It is also reported that further expansion is planned, although no date has been set for its beginning.

The demand for cigarettes in El Salvador is increasing and the cigarette company has been endeavoring to promote the production of leaf tobacco locally. Imports of cigarettes in the past two years (1953-54) have averaged 47,500 pounds annually with 97 percent coming from the United States. Imports of flue-cured leaf from the United States in 1953 and 1954 averaged about 560,000 pounds, while purchases of low-quality dark tobaccos for cigarette manufacture from Honduras totaled 3.5 million pounds in 1953 and 2.8 million in 1954.

U.S. TOBACCO EXPORTS, SEPTEMBER 1955

United States exports of unmanufactured tobacco in September 1955 totaled 85.4 million pounds, valued at $58.1 million, a 75-percent increase over exports in September 1954 of 48.9 million pounds, valued at $32.8 million. There were increases in exports of flue-cured tobacco, Burley, Virginia fire-cured, dark-fired Kentucky-Tennessee, Green River, Black Fat, Cigar Wrapper, and Cigar Filler. Exports in September 1955 decreased for all other types of tobacco.

Exports of flue-cured tobacco were 79.1 million pounds in September 1955, an increase of 92 percent over exports in September 1954 totaling 41.1 million pounds. Shipments of flue-cured tobacco to the Republic of Germany in September 1955 were 2.7 million pounds greater than the same month last year. Exports of flue-cured tobacco to the United Kingdom in September 1955 totaled 49.4 million pounds compared with 26.5 million pounds for the corresponding month in 1954. There were increases of flue-cured tobacco to Ireland, the Netherlands, Belgium and Luxembourg, Spain, Thailand, Indochina, the Philippine Republic and Egypt.

Exports of Burley tobacco in September 1955 increased approximately 79 percent (2.0 million pounds) compared with exports totaling 1.1 million pounds in September 1954. There were increases in Burley tobacco in September 1955 compared with the corresponding period last year to Belgium and Luxembourg, the Republic of Germany, Austria, and Egypt. Exports of dark-fired Kentucky-Tennessee tobacco increased about 112 percent in September 1955 (1.2 million pounds) compared with 588,000 pounds for the same month last year. The largest share of dark-fired Kentucky-Tennessee exports went to the Netherlands (437,000 pounds) and there were also substantial shipments to Ireland (167,000 pounds) and to Indochina (120,000 pounds). These countries took no dark-fired Kentucky-Tennessee tobacco for September 1954.

Exports of unmanufactured tobacco for the January-September 1955 period totaled 341.5 million pounds--an increase of 33 percent over exports for the corresponding period in 1954 totaling 256.2 million pounds. Exports of flue-cured tobacco for the first 9 months of 1955 totaled 281.7 million pounds, an increase of 42 percent over exports for the corresponding period in 1954 totaling 197.8 million pounds. Exports of flue-cured tobacco to the United Kingdom for the January-September 1955 period totaled 104.7 million pounds compared with 54.9 million pounds for the January-September 1954 period, an increase of 91 percent. Exports of flue-cured tobacco to the Republic of Germany for the first 9 months of 1955 totaled 38.9 million pounds compared with 28.5 million pounds for the same period in 1954. There were increases in exports of dark-fired Kentucky-Tennessee, Green River, One Sucker, Black Fat, and Cigar Wrapper.

Exports of tobacco products, valued at $5.7 million, were 14 percent higher in September 1955 than for the same month last year. There were increases in exports of all products. The largest increase was in exports of smoking tobacco in bulk (92 percent)--829,000 pounds in September 1955 compared with 431,000 pounds for the same month last year.

Export valuation of tobacco products, at $46.9 million, was only 3 percent higher for the January-September 1955 period over the same period last year. There were increases in exports of cigarettes and smoking tobacco in packages and in bulk. There were decreases in exports of cigars and cheroots and chewing tobacco and snuff.

UNITED STATES: Exports of unmanufactured tobacco, September 1955 and January-September 1955, with comparisons

(Export Weight)

Type	September		Percent	January-September		Percent
	1954	1955	Change	1954	1955	Change
	1,000 pounds	1,000 pounds		1,000 pounds	1,000 pounds	
Flue-cured	41,138	79,073	+ 92.2	197,836	281,683	+ 42.4
Burley	1,127	2,013	+ 78.6	23,717	22,440	- 5.4
Virginia Fire-cured	234	794	+ 33.9	2,675	2,503	- 6.4
Dark-fired Ky-Tenn.	588	1,248	+ 112.2	15,214	15,974	+ 5.0
Maryland	1,299	791	- 39.1	5,877	4,870	- 17.1
Green River	23	63	+ 173.9	1,393	1,811	+ 30.0
One Sucker	9	0	-	702	1,680	+ 139.3
Black Fat	363	557	+ 53.4	3,004	4,089	+ 36.1
Cigar Wrapper	410	462	+ 12.7	2,432	2,893	+ 19.0
Cigar Binder	177	65	- 63.3	1,127	827	- 26.6
Cigar Filler	-	80	-	158	92	- 41.8
Other	497	259	- 47.9	2,052	2,643	+ 28.8
Total	48,865	85,405	+ 74.8	256,187	341,505	+ 33.3
Declared Value (million dollars)	32.8	58.1	+ 77.1	167.1	225.5	+ 34.9

Compiled in Foreign Agricultural Service from records of the Bureau of the Census.

UNITED STATES: Exports of tobacco products, September 1955, with comparisons

Product	September		Percent	January-September		Percent
	1954	1955	Change	1954	1955	Change
Cigars and Cheroots (1,000 pieces)	601	636	+ 5.8	6,075	4,230	- 30.4
Cigarettes (million pieces)	1,200	1,280	+ 6.7	11,252	11,280	+ 0.2
Chewing Tobacco & Snuff: (1,000 pounds)	172	203	+ 18.0	1,340	1,088	- 18.8
Smoking Tobacco in Pkgs: (1,000 pounds)	50	56	+ 12.0	404	430	+ 6.4
Smoking Tobacco in Bulk: (1,000 pounds)	431	829	+ 92.3	3,113	4,816	+ 54.7
Declared Value (million dollars)	5.0	5.7	+ 14.0	45.6	46.9	+ 2.9

Compiled in Foreign Agricultural Service from records of the Bureau of the Census.

RENEWAL OF GREEK-DANISH TRADE
AGREEMENT INCLUDES TOBACCO

The Greek-Danish Trade Agreement, which expired on August 24, 1955, was extended for one year and includes tobacco as one of the items to be exported from Greece in exchange for Danish goods. No commodity lists are provided in the renewed agreement and trade will be carried on within the framework of the liberalized import regulations currently in effect in both countries. However, quotas have been established for a variety of Greek products, mainly agricultural, the importation of which is still subject to quantitative restrictions in Denmark. The Danish Government has agreed that if the quotas established in the agreement should be fully utilized prior to its expiration, the Danish authorities would give favorable consideration to any requests for increased quotas of certain products.

IRANIAN TOBACCO EXPORT LEVEL
DEPENDS ON SOVIET TAKINGS

Exports of unmanufactured tobacco by the Iranian Tobacco Monopoly depend largely upon takings by the Soviet Union in exchange for sugar.

IRAN: Exports of unmanufactured tobacco, 1950-54 1/

Country of destination	1951	1952	1953	1954
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Soviet Union	11,027	3,027	-	1,073
Lebanon	375	613	311	640
Egypt	161	-	-	-
Netherlands	123	121	126	-
Greece	-	-	108	-
India	-	-	37	-
Other	89	20	313	152
Total	11,775	3,781	895	1,865

1/ Year ending December 21.

Prewar, Egypt and Iraq were the principal outlets for Iranian leaf and total exports averaged less than .5 million pounds for the 1935-39 period. Lebanon and the Netherlands have stepped up their purchases of Iranian leaf since 1947. Also, small quantities of leaf were shipped to France, Pakistan, and Germany during 1954 for the first time.

PERUVIAN CONSUMPTION OF TOBACCO
PRODUCTS CONTINUES UPWARD

Consumption of tobacco products in Peru continued its upward trend through 1954 and was about 28 percent greater than the 1947-51 annual average. Consumption of cigarettes represents about 99 percent of total consumption of tobacco products.

VENEZUELAN CIGARETTE OUTPUT
CONTINUES UPWARD

Output of cigarettes in Venezuela continued its upward trend through the first half of 1955, totaling 1.6 billion pieces--up 7.3 percent from the 1.5 billion produced during the comparable period of 1954. Output of other tobacco products is negligible.

VENEZUELA: Output of cigarettes, with comparisons

Period	"Black" type	"Light" type	Total
	Million pieces	Million pieces	Million pieces
Annual:			
1950............	688	1,256	1,944
1951............	560	1,484	2,044
1952............	471	2,019	2,482
1953............	448	2,277	2,725
1954............	486	2,509	2,995
January-June:			
1954............	1/	1/	1,480
1955............	1/	1/	1,588

1/ Not available

Cigarette output during 1954 was almost double that of prewar. Output of the "black" type of cigarettes, which had been declining since prewar, turned upward in 1954. Output of the "light" type of cigarettes continues to rise and represents about 85 percent of the total production in contrast to less than 3 percent prewar. Although the output of cigarettes is increasing, it covers only about 75 percent of the demand, with most of the remainder imported from the United States.

The new cigarette factory in Maracay, which was largely financed by tobacco producers because of their dissatisfaction with tobacco prices, is having difficulties. The brand of cigarettes produced in this factory is not widely accepted by consumers. After the cigarette proved to be unpopular, the company began a belated advertising campaign, but to date it has not been successful.

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ISRAEL TRADES CITRUS AND
BANANAS FOR SOVIET OIL

The Israeli Embassy in Moscow has announced that contracts have been signed to trade 15,000 metric tons of Israeli oranges, lemons, and bananas for Soviet crude and fuel oil.

KENYA INCREASES
PINEAPPLE CANNING

Last year Kenya exported 10,000 metric tons of canned pineapple and it is expected that 40,000 tons will be exported annually by 1958.

ARGENTINE EDIBLE VEGETABLE OILS
CONTINUE IN SHORT SUPPLY

Argentina's deficit in edible oils in 1954-55 was filled by the purchase of about 50,000 tons of cottonseed oil from the United States, partly under the Public Law 480 program. Further imports of more than 50,000 tons of edible oil will be required to meet requirements before the new crush starts in April.

In an effort to stimulate the production of edible oils, the government has announced substantial increases in prices for the 1955-56 sunflower seed and peanut crops. It is too early to estimate 1955-56 oilseed production, as the crops are only now being sown. An increase in acreage is expected as a result of the new prices, however, and granted favorable weather, it is probable that Argentina will again be self-sufficient in edible oils starting in the second quarter next year.

Estimates of the new flaxseed crop have not been reported as yet. The official estimate of 1954-55 production is 18,991,000 bushels. As other grains and cattle have been using most available railroad cars in the past 6 months, a portion of the flaxseed crop still remains uncrushed at country points. Overseas sales of linseed oil, particularly to Russia, have absorbed the bulk of production and current stocks reportedly are small. The trade anticipates that during the coming year the government will push overseas sales of flaxseed rather than stimulate production of oil.

Table 1.--ARGENTINA: Flaxseed, estimated supply and distribution, 1953-54 and 1954-55

(1,000 bushels)

	1953-54	1954-55
Supply		
Opening stocks, December 1 1/	2,564	2,015
Production	1/ 16,140	2/ 18,200
Total	18,704	20,215
Distribution		
Exports, Dec. 1 - Nov. 30 3/	433	-
Crushing 4/	11,926	13,070
Seed and waste 4/	4,330	4,720
Ending stocks, November 31	1/ 2,015	4/ 2,425
Total	18,704	20,215

1/ Sintesis Estadistica Mensual de la Republica Argentina. 2/ Unofficial. Official estimate -- 18,990,000 bushels. 3/ Resumen Mensual do Exportacion de Frutos del Pais. 4/ Unofficial estimates.

Table 2.--ARGENTINA: Linseed oil, estimated supply and distribution, 1954 and 1955

(1,000 short tons)

	1954	1955
Supply		
Opening stocks, January 1	243	67
Production	107	120
Total	350	187
Distribution		
Exports	250	133
Domestic consumption	33	33
Ending stocks, December 31	67	21
Total	350	187

Compiled from official and trade sources. Subject to revision.

Stocks of tung oil are believed to be about 8,800 tons at present. A large portion of this volume is still in Misiones awaiting shipment, as the water level of the Parana River is currently too shallow for navigation. Up-river oil-storage space is reportedly filled and the delay in shipment has slowed crushing of the new crop. However, total export availabilities for the marketing year starting November 1 will probably equal those of last year.

Table 3.--ARGENTINA: Tung oil, estimated supply and distribution, 1954-55 and 1955-56

(Short tons)

	1954-55	1955-56
Supply		
Opening stocks, November 1	8,820	8,820
Production	14,330	12,125
Total	23,150	20,945
Distribution		
Exports	13,230	-
Domestic consumption	1,100	1,100
Available for export and/or Carry-out October 31	8,820	19,845
Total	23,150	20,945

Compiled from official and trade sources. Subject to revision.

URUGUAY'S PEANUT PRODUCTION UP SLIGHTLY; FLAXSEED AND SUNFLOWER SEED DOWN

Latest official estimates in Uruguay place 1954 flaxseed production at 2,479,000 bushels (trade sources consider this figure low), as compared to 2,540,000 bushels in 1953. Although it is too early for an accurate production forecast for 1955, it is expected that there will be a small increase in acreage sown.

Ships' manifests show that 23,793 short tons of linseed oil were exported between January 1 and September 30, with 8,820 tons expected to be shipped in November. There have also been exports of 34,957 tons of linseed oilcake and meal during this period.

The price of linseed oil varied from 22.30 pesos per 100 kilos (1 kilo= 2.2046 pounds) in early January to a high of 24.50 pesos in mid-July. It declined to a low of 20.00 pesos in September but was up to 23.50 pesos in mid-October. (For applicable exchange rates see Foreign Crops and Markets, October 17, 1954.)

Sunflower seed production was down slightly from 89,705 short tons in 1954 to 75,029 tons (trade sources consider this figure low) in 1955. Approximately 1,405 tons are required for seed, and the remainder of the crop will be used for local consumption. It appears that there will be very little, if any, stocks on hand at the end of the year. Exports between January 1 and September 30 included 11,995 tons of sunflower oilcake and meal.

Peanut production was up slightly to an estimated 6,335 short tons in 1955 as compared to 6,230 tons in the previous year. Approximately 1,100 tons will be used for seed and human consumption, leaving the balance to be crushed into oil. There were no peanuts or peanut oils exported, but ships' manifests show a total of 1,565 tons of peanut oilcake and meal exported in the current year. Indications are that plantings will be about the same in the coming year, with possibly a slight increase in acreage.

Although official data is not available on olive oil production, trade sources estimate the 1955 olive crop to be 860 short tons--of which approximately 575 tons were crushed into oil. There has been an unofficial report that there is an increase in new plantings in the olive-growing area, but this has not yet been confirmed.

Imports into Uruguay in the period from January 1 to October 1, 1955, included 579 short tons of olive oil, 583 tons of coconut oil, 160 tons of castor oil, 1,235 tons of palm oil, and 2 tons of tung oil.

SUEZ CANAL TRAFFIC IN SOYBEANS UP SHARPLY IN JULY

Northbound traffic in soybeans through the Suez Canal was 72,752 short tons in July as compared to 7,716 tons in July of 1954. This figure is up 50 percent from June traffic (48,501 tons); since 1951 there had been a tendency for shipments to fall off sharply after June. It is reported that 45,194 tons, or 62 percent, of the total soybean traffic is destined for Soviet ports. (See Foreign Crops and Markets, October 17, 1955, for previously published information on this subject.)

INTERNATIONAL OLIVE OIL AGREEMENT APPROVED BY DELEGATES FROM 9 COUNTRIES

An international agreement on olive oil was approved on October 17, at Geneva, Switzerland, by delegates from nine countries. The agreement, which will be open November 15, through February 15 at United Nations Headquarters in New York City for signature by any interested exporting or importing country, calls for establishment of an international Olive Oil Council. Specific proposals on measures to cope with problems arising from the sharp year-to-year fluctuations in olive oil supplies--particularly the possibility of establishing an international stabilization fund--are to be considered by the Council. The Secretary General of the United Nations and the Director General of FAO--joint sponsors of the Conference--are requested to call a meeting of an Interim Committee composed of all signatories not later than April 30, 1956.

The nine countries that participated in the Conference, which opened on October 3, were: Cuba, the Dominican Republic, France, Greece, Italy, Libya, Spain, Tunisia, and the United Kingdom. Eleven other countries, including the United States and the U.S.S.R., had observers present.

The agreement pledges the signatories not to impose any restrictions on the production of olive oil. Apparently there was no further discussion of price fixing and export quotas such as had been aired in some unofficial meetings of exporting countries in previous years. In general, discussion centered on a report and draft agreement prepared by the FAO Working Party on Olive Oil.

A world-wide publicity program to stimulate consumption of olive oil is called for through establishment of a joint publicity fund. The American observer reports that, under terms of the agreement, the United States would probably be required to contribute to this fund if it became a signatory, even though it is a net importer of olive oil.

The Conference further agreed on and emphasized the importance of standard definitions of various classifications of olive oil, and adopted a resolution regarding establishment of uniform physicochemical standards and methods of analysis. It also discussed a number of other technical and commercial aspects of international olive oil trade, such as arbitration of disputes and a standard international contract of sale.

CANADA HARVESTS RECORD SOYBEAN, RAPESEED
MUSTARD SEED CROPS; LARGE FLAXSEED, SUNFLOWER SEED CROPS

Canada's 1955 harvests of soybeans, rapeseed, and mustard seed are the largest of record--and flaxseed and sunflower seed production far exceed output of recent years, according to official estimates just released. The soybean crop is now placed at 5,650,000 bushels, representing a 20-percent increase from the previous estimate. Earlier indications were that the crop would be down somewhat, as acreage to soybeans declined by 16 percent from 1954. The revised estimate indicates that yields averaged an all-time high of 26.0 bushels per acre. Moreover, this volume of production would be an increase of 14 percent from the 1954 harvest.

The rapeseed crop is estimated officially at a record 55,780,000 pounds compared with 40,500,000 pounds reported to have been produced in 1954. Production is concentrated in Saskatchewan and Manitoba. Mustard seed at 52,840,000 pounds is double the previous year's output. This crop is grown largely in Alberta.

Flaxseed production is now placed at 21,498,000 bushels, with a yield of 10.8 bushels per acre. This volume of flaxseed would represent an increase of over 90 percent from the 1954 harvest and would be the largest crop since 1912.

Sunflower seed production, largely in Manitoba, is estimated at 14,400,000 pounds. While this is an increase of only 1.4 million pounds from last year's crop, it is a sharp increase from the 2 previous years when harvests averaged only 2 to 3 million pounds. Production in 1949 however, amounted to 27 million pounds.

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U.S. COTTON EXPORTS LAGGING

Exports of cotton from the United States in September 1955 amounted to 123,000 bales of 500 pounds gross (116,000 running bales), making an August-September total of only 185,000 bales (177,000 running bales). This total is less than half the 389,000 bales exported in the corresponding period last year.

Foreign importers and mill operators have been buying only for minimum current needs during most of 1955 in anticipation of lower prices. The record 1955 crops in most foreign countries are now moving into export markets at prices 4 to 8 cents a pound lower than those for comparable qualities of United States cotton. The sharp reduction in prices of foreign growths in recent months are partly a reflection of efforts of exporters in foreign countries to hasten liquidation of their holdings in anticipation of possible price reductions under future United States export programs.

(See table, opposite page.)

UNITED STATES: Exports of cotton by countries of destination, averages 1935-39 and 1945-49; annual 1953 and 1954; August-September 1954-55 and 1955-56

(Bales of 500 pounds gross)

Country of destination	Year beginning August 1				August-September	
	Averages		1953	1954		
	1935-39	1945-49			1954-55	1955-56
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria	0	1/ 36	42	15	1	2
Belgium-Luxembourg	169	131	68	66	9	1
Czechoslovakia	65	57	0	0	0	0
Denmark	33	14	23	21	2	0
Finland	35	21	10	13	0	1
France	662	575	475	416	52	10
Rep. of Germany	511	340	389	350	46	13
Italy	442	489	269	249	24	5
Netherlands	107	131	104	95	7	2/
Norway	17	7	14	12	1	0
Poland and Danzig	180	69	0	0	0	0
Portugal	36	2/	0	11	0	0
Spain	108	69	167	197	1	0
Sweden	115	12	43	51	3	2/
Switzerland	11	26	24	37	10	4
United Kingdom	1,346	488	422	421	56	16
Yugoslavia	17	47	40	103	12	1
Other Europe	31	3/ 33	10	9	0	1
Total Europe	3,885	2,545	2,100	2,066	224	54
Canada	301	275	237	307	37	26
Chile	9	20	27	10	3	4
Colombia	20	24	7	2	1	2/
Cuba	11	16	20	19	6	2/
India	52	86	161	61	5	2/
China	117	401	0	0	0	0
French Indochina	22	6	16	0	0	0
Indonesia	2/	5	22	27	3	3
Japan	1,142	585	1,005	678	69	60
Korea, Republic of	4/	5/ 48	96	170	23	13
Taiwan (Formosa)	4/	1	110	120	19	15
Australia	9	7	45	52	6	5
Other countries	21	46	6/ 68	7/ 73	11	5
Total 500 lb. Bales	5,589	4,065	3,914	3,585	407	185
Total Running Bales	5,300	3,917	3,761	3,447	389	177

1/ 4-year average. 2/ Less than 500 bales. 3/ Includes Greece 21. 4/ If any, included in "Other countries." 5/ 3-year average. 6/ Israel 12, Ethopia 11. 7/ Israel 20, French Morocco 11.

Compiled from official records of the Bureau of the Census.

EXTENSION OF CONTRACTING DATES FOR COTTON
EXPORTS UNDER PUBLIC LAW 480 PROGRAMS

Extensions of the contracting periods and final delivery dates have been issued to several countries for cotton exports under provisions of Title I (sales for foreign currency) of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83rd Congress). The countries affected by this time extension are Finland, Spain, Italy, Korea, and the 10 countries that are processing cotton into cloth and yarn for Pakistan under terms of tripartite agreements for exchange of cotton for cotton products.

Quantities of cotton to be exported, and the revised effective dates are as follows:

Exports of cotton authorized under Title I of P.L. 480 (83rd Congress), with final contracting and delivery dates

(bales of 500 pounds gross)

Country of destination	Funds authorized	Cotton to be exported	Final contracting date	Final delivery date
	1,000 dollars	1,000 bales		
Yugoslavia	9,600	54	3-31-55	6-30-55
Israel	1,125	6	8-31-55	9-30-55
Finland	2,900	15	9-30-55	11-18-55
Spain	7,750	39	11-30-55	11-30-55
Italy	36,600	183	12-31-55	12-31-55
Austria	510	3	9-30-55	12-31-55
Pakistan/U.K.	5,200	26	2-15-56	3-15-56
Pakistan/Hong Kong	1,000	5	2-15-56	3-15-56
Pakistan/Lebanon	600	3	2-29-56	3-31-56
Pakistan/Germany	1,500	8	2-29-56	3-31-56
Pakistan/Belgium	500	3	2-29-56	3-31-56
Pakistan/Japan	9,700	49	2-29-56	3-31-56
Pakistan/Italy	1,400	7	2-29-56	3-31-56
Pakistan/France	840	4	2-29-56	3-31-56
Pakistan/Netherlands	700	4	3-15-56	4-15-56
Pakistan/Switzerland	1,000	5	3-15-56	4-15-56
Korea	9,400	47	12-31-55	2-29-56
Japan	35,000	175	11-30-55	12-31-55
Colombia	1,635	8	10-31-55	11-30-55
Total	126,960	644	-	-

GERMANY'S COTTON IMPORTS SLIGHTLY BELOW LAST YEAR

Cotton imports by the Republic of Germany during the August-July 1954-55 marketing year amounted to 1,211,000 bales (500 pounds gross) representing a 3-percent decline from the 1,264,000 bales imported in 1953-54. Imports from the United States showed no appreciable change between the two periods, amounting to 382,000 bales or 32 percent of total imports in 1954-55, as compared with 377,000 bales or 30 percent of the total in 1953-54.

See table below. (Text cont'd., next page.)

REPUBLIC OF GERMANY: Imports of cotton from major countries of origin; average 1934-38; crop years 1951-54

(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1				
	Average 1934-38	1951	1952	1953	1954
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Anglo-Egyptian Sudan	1/	0.6	27.0	25.6	17.1
Argentina	49.0	.4	8.4	10.8	6.0
Belgian Congo	12.7	37.5	75.9	42.0	25.6
Brazil	284.8	65.0	.7	213.6	192.7
British East Africa	1/	35.3	56.9	38.9	45.3
Egypt	174.1	58.1	126.8	127.9	93.2
India	117.6	4.5	23.2	7.3	8.0
Iran	2/ 21.2	11.2	37.8	30.8	33.2
Mexico	1/	18.9	85.6	89.3	140.1
Nicaragua	1/	.7	26.8	54.6	61.9
Pakistan	3/	30.5	92.4	35.2	18.9
Peru	83.2	9.2	31.9	55.2	50.9
Syria	1/	3.5	38.5	39.3	30.6
Turkey	48.3	131.3	134.3	67.4	53.9
United States	300.8	466.4	275.5	376.7	381.6
Other countries	83.3	10.6	4/ 41.7	5/ 49.1	6/ 51.6
Total	1,175.0	883.7	1,084.2	1,263.7	1,210.6

1/ If any, included in "Other countries." 2/ 4-year average. 3/ Included in India prior to 1947. 4/ El Salvador 21,000 bales. 5/ Afghanistan 23,300 bales. 6/ Guatemala 13,600 bales, Afghanistan 10,200 bales.

Source: Der Auswartigo Handel Deutschland and Monathiche Nachweise uber den Auswaritigen Handel, and official reports.

Sharp declines in Germany's imports of United States cotton were registered in the last quarter of 1954-55, however, but are not apparent in the year's total because of unusually high import levels earlier in the year. The downward trend has reportedly continued even more sharply in August and September due to the unfavorable price relationship between United States and similar foreign growths. The spread between United States and other cottons has widened in the last several months from 3 to 4 cents a pound to 4 to 8 cents at present.

Germany's cotton consumption has shown slight improvement throughout the year, and is estimated at 1,232,000 bales for 1954-55, or about 1 percent higher than the 1,217,000 bales consumed in 1953-54. Mill activities are expected to continue on a high level as a consequence of continuing high demand for cotton textiles, but cotton stocks are being held to minimum levels because of uncertainty about future price developments.

Germany's cotton stocks on August 1, 1955, were estimated at 230,000 bales, as compared with 260,000 held a year earlier.

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U. S. SHARE OF FOREIGN COTTON MARKET
INCREASES IN 7 of 12 COUNTRIES

Moderate increases were registered for the United States share of cotton imports in the 1954-55 season in 7 out of 12 major cotton importing countries listed on the following page. Heavy imports of United States cotton during the first half of the 1954-55 season more than offset the decline in recent months.

Principal changes in the United States share of these cotton markets from 1953-54 to 1954-55 were as follows: Increases--Canada from 85 to 90 percent of total imports; Italy from 31 to 38 percent; the United Kingdom from 23 to 36 percent; Spain from 57 to 62 percent; Switzerland from 17 to 30 percent; Republic of Germany from 30 to 32 percent; and Hong Kong from 2 to 5 percent. Declines were registered for Belgium, France, India, and Japan. Imports by the Netherlands were unchanged from the previous year. (See table, opposite page.)

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INDIA INCREASES QUOTA
FOR COTTON EXPORTS

The Government of India announced an additional cotton export quota on October 28, 1955, of 100,000 Indian bales of cotton 3/4-inch and below, excluding Coconadas and Bengal Desi, which is to be distributed as bonus quotas to quota holders on the basis of actual performance last season. Also announced was an additional quota of 50,000 Indian bales of Bengal Desi, to be allocated to established exporters and registered dealers. Equivalent amounts of these quotas in terms of 500-pound gross-weight bales are 82,000 and 41,000 bales, respectively. (Cont'd., p. 568.)

COTTON: Share of United States and other supplying countries in specified import markets

(Equivalent bales of 500 pounds gross)

Importing country	Reporting period 1954-55	Supplying country	Quantity imported: Previous year's period	Quantity imported: Current year's period	Supplying countries share of market: Previous year's period	Supplying countries share of market: Current year's period
			1,000 bales	1,000 bales	Percent	Percent
Belgium	Aug.-July	United States	101	86	22	19
		Mexico	54	82	12	18
		Belgian Congo	72	71	16	16
		Total 1/	464	451		
France	Aug.-July	United States	480	447	35	33
		Egypt	246	165	18	12
		Total 1/	1,383	1,372		
Rep. of Germany	Aug.-July	United States	376	382	30	32
		Brazil	214	193	17	16
		Mexico	89	140	7	12
		Total 1/	1,264	1,211		
Italy	Aug.-June	United States	207	222	31	38
		Brazil	80	77	12	13
		Total 1/	673	591		
Netherlands	Aug.-July	United States	99	100	29	29
		Mexico	82	109	24	32
		Total 1/	338	341		
Spain	Aug.-July	United States	198	206	57	62
		Brazil	57	78	16	24
		Total 1/	348	330		
Switzerland	Aug.-July	United States	29	52	17	30
		Egypt	68	39	40	23
		Total 1/	168	171		
United Kingdom	Aug.-July	United States	413	531	23	36
		Brazil	214	129	12	9
		Total 1/	1,790	1,489		
Canada	Aug.-July	United States	234	311	85	90
		Total 1/	276	344		
Hong Kong	Aug.-July	United States	5	10	2	5
		Brazil	85	57	38	26
		Pakistan	101	73	45	33
		Total 1/	224	220		
India	Aug.-June	United States	124	86	25	20
		Br. East Africa	122	188	24	44
		Egypt	216	103	43	24
		Total 1/	502	426		
Japan	Aug.-July	United States	942	753	39	37
		Mexico	476	489	20	24
		Total 1/	2,431	2,038		

1/ Includes imports from sources not listed.

(Cont'd. from p. 566.) The new quotas are in addition to previous allotments of 290,000 Indian bales, making a total of 440,000 so far for the 1955-56 season, broken down as follows:

	Indian bales (400 lb. gross)	Equivalent bales of 500 lb. gross
Cotton of 3/4-inch staple and below, excluding Bengal Desi and Coconadas	300,000	245,000
Bengal Desi cotton	75,000	61,000
Cotton of 25/32-inch staple	1/ 35,000	28,500
Cotton of 26/32-inch staple	2/ 30,000	24,500
Total	440,000	359,000

1/ Includes 10,000 bales for China. 2/ Entire quota for China.

Exports of Zoda cotton are to be licensed freely.

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PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

Issued recently and available free upon request from the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D.C.

Hog Slaughter in Specified Countries. Foreign Ag. Circ. FLM-15-55

The Austrian Market for Citrus. Foreign Ag. Circ. FCF-7-55

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LATE NEWS

Reduction of the export duty on sesame and peanuts from 15 percent to 5 percent ad valorem from October 14, 1955, has been announced by the Sudan Government. The announcement provides, however, that the duty rates "will be reviewed should any substantial variation in export prices. . . make this desirable."